

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 272 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 5-13-12-8.6 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: **Sec. 8.6. (a) As used in this section, "loan**
6 **guarantee" means the guarantee of a loan, an obligation, or**
7 **another form of indebtedness from a federal agency to an Indiana**
8 **political subdivision, including but not limited to a loan under**
9 **Section 108 of the federal Housing and Community Development**
10 **Act, the proceeds of which are to be used for an industrial**
11 **development project.**
12 **(b) As used in this section, "industrial development project"**
13 **refers to the redevelopment of an industrial site in a community**
14 **revitalization enhancement district designated under IC 36-7-13**
15 **that will result in an expansion of employment and investment**
16 **and the enhancement of the economic stability of the community**
17 **in which the industrial development project is located.**
18 **(c) Notwithstanding any other law, including sections 7 and 8 of**
19 **this chapter, the board for depositories shall guarantee a loan or**
20 **loans that total not more than ten million dollars (\$10,000,000) for**
21 **an industrial development project in a community revitalization**
22 **enhancement district that qualifies under this section. The board**

1 for depositories may not make more than one (1) loan guarantee
2 under this section for a particular community revitalization
3 enhancement district. The total of all the loan guarantees
4 outstanding on the total outstanding balance of all loans
5 guaranteed under this section for all industrial development
6 projects in all community revitalization districts in all political
7 subdivisions may not exceed ten million dollars (\$10,000,000).

8 (d) The board for depositories, in making the loan guarantee
9 for an industrial development project under this section, shall
10 comply with all of the following conditions:

11 (1) Protection against loss on the loan guarantee must be
12 secured through collateral evidenced by a valid mortgage,
13 security agreement, or other agreement or document with
14 the Indiana political subdivision to which the loan guarantee
15 is made. In order to obtain the loan guarantee, the Indiana
16 political subdivision must demonstrate to the board for
17 depositories that the political subdivision has sufficient
18 resources to secure the repayment of the loan guarantee in
19 the event of a valid claim of loss.

20 (2) The term of a loan guarantee made under this section
21 may not exceed twenty (20) years.

22 (3) The board for depositories shall determine the guarantee
23 premium to be received by the public deposit insurance fund
24 for the loan guarantee. The guarantee premium shall be
25 determined in the discretion of the board for depositories at
26 an amount not greater than the market rate then in effect
27 for guarantees, mortgage insurance rates, or letters of credit
28 used for similar purposes.

29 (e) Members of the board for depositories and any officers or
30 employees of the board for depositories are not subject to personal
31 liability or accountability for or by reason of the loan guarantee
32 made under this section.

33 (f) This section constitutes all the authority required for the
34 board for depositories to make a loan guarantee for an industrial
35 development project under this section. This section is in addition
36 to and not in limitation of the other powers of the board for
37 depositories under this chapter.

38 (g) Any claim, loss, or debt arising out of any guarantee under
39 this section is the obligation of the board for depositories, payable
40 out of the public deposit insurance fund, as special funds only and
41 as provided in this section, and does not constitute a debt, liability,
42 or obligation of the state or a pledge of the faith and credit of the
43 state. The document evidencing any guarantee must have on its

1 face the words, "The obligations created by this guarantee (or
2 other document as appropriate) do not constitute a debt, liability,
3 or obligation of the state or a pledge of the faith and credit of the
4 state, but are obligations of the board for depositories and are
5 payable solely out of the public deposit insurance fund, as special
6 funds, and neither the faith and credit nor the taxing power of the
7 state is pledged to the payment of any obligation under this
8 guarantee."."

9 Page 9, after line 32, begin a new paragraph and insert:
10 "SECTION 7. **An emergency is declared for this act.**".
11 Renumber all SECTIONS consecutively.
 (Reference is to ESB 272 as printed February 20, 2004.)

Representative Dvorak